

Fee Paid

FILED

2018 MAY 18 PM 2:03
CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
SAN JUAN ANA
BY LAW

1 Tiffany Tate
2 312 Willow Oak Circle
3 Pikesville, MD 21208
4 410-654-5668
5 tiffany_tate@msn.com
6
7

8 **SACV18-00877 JLS (AFMx)**
9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**

11 TIFFANY TATE; an individual
12 MARYLAND PARTNERSHIP FOR PREVENTION; a corporation
13 MICHAEL ZOLLICOFFER, MD, PA; a professional association

14 **Plaintiffs,**

15
16 **v.**

17 KAREO, a local business entity;
18 DAN RODRIGUES, an individual;
19 BRIAN ROBY, an individual;
20 DIANE PARKER, an individual;

21
22 **Defendants.**

23 **VERIFIED COMPLAINT**
24

25 Plaintiffs, TIFFANY TATE, an individual, MARYLAND PARTNERSHIP FOR
26 PREVENTION, a Maryland corporation, MICHAEL ZOLLICOFFER, MD, a
27 professional association sue Defendants, Kareo, a local business entity, Dan
28

1 Rodrigues, Brian Roby, and Diane Parker (hereinafter referred to as "Defendants")
2 and states:

3
4
5
6 **NATURE OF THE ACTION**

7 1. This is a civil action for compensatory damages which exceed Fifteen
8 Thousand Dollars (\$15,000) brought by Plaintiffs against Defendants. Defendants
9 consist of a medical billing company and related representatives of the company.
10 Defendants have been the source of Plaintiffs' contractual damages, the result of
11 breach of contract; and negligence. The Plaintiffs are also entitled to damages from
12 the Defendants, collectively and/or individually, under the doctrine of promissory
13 estoppel based on Plaintiffs' reasonable, detrimental reliance upon Defendants'
14 specific representations and promises.

15
16 **THE PARTIES**

17 2. Plaintiff, Tiffany Tate, is Executive Director of the Maryland Partnership
18 for Prevention.

19 3. Plaintiff, Maryland Partnership for Prevention, Inc (hereinafter referred
20 to as MPP) is a non-profit corporation.

21 4. Plaintiff, Michael Zollicoffer, MD, PA is a professional association.

22 5. Defendant, Kareo is a local business entity, authorized to do business in
23 the State of California. At all times alleged in this Complaint for Damages, Kareo
24 was operated by its Board of Directors, corporate officers, managing agents, servants,
25 supervisory employees and/or representatives.

26 6. Defendant, Dan Rodrigues is Chief Executive Officer of Kareo. He is
27 sued in his capacity as top executive of Kareo.
28

1 7. Defendant, Brian Roby is an executive with Kareo. He is sued in his
2 capacity as an executive of Kareo.

3 8. Defendant, Diane Parker is an executive with Kareo. She is sued in her
4 capacity as a representative of Kareo.

5 9. Upon information and belief the Plaintiffs believe, and therefore allege
6 that each defendant is, and at all times mentioned was, the agent, employee,
7 representative, successor and/or assignee of each other defendant. Each defendant, in
8 doing the acts, or in omitting to act as alleged in this Complaint, was acting within the
9 scope of his or her actual or apparent authority. Alternatively, each of the alleged acts
10 and omissions of each defendant, while serving as an agent for one or more of the co-
11 defendant(s), were subsequently ratified and adopted by each and every other
12 defendant as principal.
13

14
15 FACTUAL ALLEGATIONS

16 10. In December of 2015, Plaintiff Tate contacted Kareo regarding
17 performing billing services for Plaintiff MPP for immunizations they administer in
18 schools. The services needed from Kareo entailed submitting claims to insurance
19 companies to seek reimbursement for thousands of claims of people who had received
20 these services in schools. Defendants were to segregate these medical claims from
21 those that were performed by Plaintiff Dr. Zollicoffer in his office. It was stated that
22 the MPP claims for the school immunizations had to be submitted by May 2016.
23

24 11. In December 2015, Defendants initiated an oral contract by stating that
25 they would fulfill Plaintiff's request of submitting the claims by the deadline stated.

26 12. Between December 2015 and February 2016, Plaintiff Tate and
27 Defendants had several discussions to negotiate the terms of the services that would
28 be provided.

1 13. In February 2016, the oral contract was finalized when the Defendants
2 provided Plaintiff with the cost of the contract and Plaintiff accepted.

3 14. Between February 2016 and May 2016, Defendants repeatedly told
4 Plaintiff that they had identified a way to fulfill Plaintiff's request, but were working
5 on several other, more efficient solutions.

6 15. In February 2016, when Defendants had not begun processing Plaintiffs'
7 claims, Plaintiff Tate began to express concern that that Defendants would not be able
8 to meet Plaintiffs' deadline.

9 16. Between February 2016 and May 2016, Plaintiffs' expressed concern
10 verbally and in writing about Defendant's ability to meet the deadline for submitting
11 these claims. Each time, Defendants reassured Plaintiffs the deadline would be met,
12 stating "no worries".

13 17. In May 2016, after several months of reassuring Plaintiffs that they were
14 able to perform the work requested in the stated timeline, Defendants informed
15 Plaintiff that they were unable to perform the work requested. This late declaration
16 made it impossible for Plaintiffs to get the work done elsewhere, resulting in the loss
17 of collecting reimbursement for thousands of medical claims.

18
19 **INJURIES TO PLAINTIFFS**

20 18. Defendants, acting individually and in concert with others, directly
21 and through their agents, breached a contract with the Plaintiffs.

22 19. Defendants' actions, as described above, have caused Plaintiffs
23 extreme financial hardship and significant loss of income.

24
25 **FIRST CAUSE OF ACTION FOR BREACH OF AN**
26 **IMPLIED-IN-FACT CONTRACT/ PROMISSORY ESTOPPEL**

27 **(By Plaintiffs against Defendants)**
28

1 20. Plaintiff repeats and incorporates by reference the allegations contained
2 in paragraphs 1 through 19, inclusive, as if fully set forth herein.

3 21. Plaintiffs reasonably relied to their detriment upon the promises, both
4 express and implied, made by Defendants, as above described. In particular, the
5 Defendants, jointly and severally, advised the Plaintiffs that they would be able to
6 perform the desired work in the time period specified.

7 22. As a direct and proximate result of the Defendants' breach of implied
8 contract/ breach of promissory estoppel, Plaintiffs have suffered very significant
9 economic damages as the direct result of Defendants' contractual breaches, including
10 but not limited to lost profit and other damages to be determined at trial.

11
12 WHEREFORE, the Plaintiffs request the following relief:

- 13 a. An award of monetary damages for all direct and consequential damages
14 that have resulted from the Defendants' conduct;
15 b. Pre-judgment and post judgment interest on all monetary awards;
16 c. An award of all attorney's fees and litigation costs incurred in bringing
17 this action;
18 d. Such other further relief as the Court deems just.
19

20
21
22 **SECOND CAUSE OF ACTION FOR BREACH OF CONTRACT**

23 **(By Plaintiffs against Defendants)**

24 23. Plaintiffs repeat and re-allege the allegations contained in paragraphs 1
25 through 19, inclusive, as if fully set forth herein.

26 24. Defendant has harmed Plaintiffs by violating the terms of the oral
27 contract entered into in February 2016.
28

1 WHEREFORE, the Plaintiffs request the following relief:

- 2 a. An award of monetary damages for all direct and consequential damages that
3 have resulted from the Defendants' breach of the contract

4 **DAMAGES**

5 25. As a proximate result of the conduct of Defendants, and each of them,
6 Plaintiffs have suffered economic damages. In doing the acts herein alleged,
7 Defendants, and each of them.

8 26. The conduct of Defendants was negligent. Plaintiff is therefore entitled
9 to an award of all attorney's fees incurred in relation to these actions.

10 //

11 //

12 **REQUEST FOR RELIEF**

13 27. WHEREFORE, Plaintiffs respectfully request that judgment enter in
14 favor of Plaintiffs and against Defendants and each of them as follows:

- 15 a. On all claims, for general and special damages according to proof;
16 b. On all claims, for costs, interest and reasonable attorney's fees;
17 c. For such other relief as is just and proper.
18

19
20 WHEREFORE, the Plaintiffs, Plaintiffs, TIFFANY TATE, an individual,
21 MARYLAND PARTNERSHIP FOR PREVENTION, a Maryland corporation,
22 MICHAEL ZOLLICOFFER, MD, a professional association sue Defendants, Kareo,
23 a local business entity, Dan Rodrigues, Brian Roby, and Diane Parker (hereinafter
24 referred to as "Defendants") in the amount of Two Hundred Thousand Dollars
25 (\$200,000), plus the amount of special damages as deemed suitable by the Court,
26 plus reasonable attorneys' fees and costs incurred by Plaintiffs in connection with
27 these proceedings, and any additional relief that the Court deems just and fair.
28

1
2 Under penalties of perjury, I declare that I have read the foregoing and have
3 personal knowledge of all facts described in paragraphs 1 through 27 of this
4 Compliant and that the facts detailed therein are accurate and true.

5 For All Plaintiffs

6
7
8 
9 Tiffany Tate

earthsmart
FedEx carbon-neutral
envelope shipping

Express

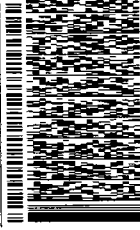
294
B71
16:00
05:18
D

RECEIVED
CLERK U.S. DISTRICT COURT
MAY 18 2018
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION - ST. DEBUTY

ORIGIN ID:DEFA (443) 570-4856
TIFFANY ANGELIQUE WHITE
312 WILLOW OAK CIR
PIKESVILLE, MD 21208
UNITED STATES US

TO USAC, CACD
USAC, CACD
411 W 4TH ST
STE 1-053
SANTA ANA CA 92701
REF1
(000) 000-0000

DEPT1



REL#
3785346

FRI - 18 MAY 3:00P
STANDARD OVERNIGHT

TRK# 7810 1856 8336

XH APVA

92701 SNA
CA-US



CV